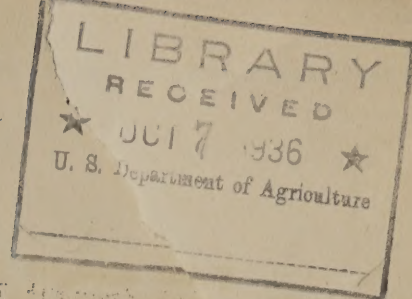


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### UNITED STATES IMPORTS OF COMPETITIVE AGRICULTURAL PRODUCTS

Competitive agricultural imports during 1935, taken as a whole, were not abnormally high in value.

Farm imports of large value were characteristic of the 1920s, rather than of the 1930s. In fact, the total value of competitive agricultural imports each year from 1920 to 1930 was greater than in 1935.

The value of these imports was about two-thirds of a billion dollars (\$623,000,000) in 1935. They were more than a billion (\$1,017,000,000) in 1929 and more than 2 1/4 billion (\$2,264,000,000) in 1920.

The largest imports of hogs and hog products were in 1927. In four of the years since 1920 the volume of these imports was greater than the 1935 volume. Imports of live cattle were largest in 1928. In three of the years since 1920 they have been larger than they were in 1935. Canned beef imports were largest in 1929. Butter imports were largest in 1923.

Imports of corn and wheat and other feed grains were largest in 1935, principally because of the 1934 drought which was the most destructive in the history of the United States. Total wheat supplies were larger than the country's normal requirements, as evidenced by the carryover on July 1, 1936 of 150 million bushels, but wheat imports increased. The reason for this increase was the shortage in 1935 of certain special types of hard and durum wheat, caused principally by the epidemic that year of black stem rust in the spring wheat area.

### Imports and Deficiencies in Domestic Supplies

Nations normally import to meet crop deficiencies. The record drought in 1934 resulted in a short feed supply in the United States which continued into 1935. The drought loss in corn was particularly severe, amounting to over a billion bushels, or more than 39 per cent of the average production for 1928-32. The 1934 production adjustment program accounted for a reduction of about 180 million bushels of corn, or less than one-fifth the drought loss.

Emergency feed and forage crops more resistant to drought than corn were planted on land withheld from corn production in 1934 under the adjustment programs. These crops tended to offset the reduction in corn supplies due to the adjustment programs and the drought.

Although large imports of corn to meet the deficiency might have been expected, the imports in the year ending June 30, 1935 were equivalent to only 4.1 per cent of the drought loss.



Total drought loss of feedstuffs was about 50 million tons. Imports of feed during the 18 months ending December 31, 1935 were equivalent to only 7 per cent of that loss.

Drought cut the 1934 wheat crop by more than 300 million bushels. Some land was held out of wheat production under the adjustment programs. As in the case of corn, land withheld from wheat production was used wherever possible to produce emergency feed crops that withstood drought and provided relatively more feed than wheat. Imports of wheat amounted to only 4.5 per cent of the drought loss.

#### Agricultural Imports and Farm Income

Small farm imports result, generally speaking, from low farm prices and must be relatively high to cause an increase in farm imports.

In 1932, the value of competitive agricultural imports was down to 296 million dollars. Farm prices were extremely low. So was farm income. Wheat at 32 cents a bushel, corn at 19 cents, butter at 18 cents a pound, and hogs at around \$3 a hundredweight did not provide a market attractive to foreign producers, when this market was inside a tariff wall of 42 cents a bushel on wheat, 25 cents a bushel on corn, and 14 cents a pound on butter. Total United States farm cash income in 1932 was only about 4 1/3 billion dollars.

In 1935 when the value of competitive farm imports was 623 million dollars, United States farmers were receiving 84 cents a bushel for wheat, 58 cents a bushel for corn, 26 1/2 cents a pound for butter, and \$8.36 a hundredweight for hogs. American farm cash income for that year was nearly 7 billion dollars, or 2 2/3 billion more than in 1932.

American farmers were far better off in 1935, when improved prices were attracting relatively small imports over the tariff wall, than they were in 1932, when accumulated surpluses and the resulting low prices caused the amount of competitive farm imports entering this country to fall to the lowest level in the 15 years for which comparative figures are available.

Furthermore, they were better able in 1935 to support industrial employment and business generally through their purchases of goods and services.